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## STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Rhode Island

## VARIATIONS FROM THE BASIC PERSONAL NEEDS ALLOWANCE

Disclosure Statement for Post-Eligibility Preprint

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For Institutionalized persons who engage in employment from which earned income is derived and for whom the retention of such income is therapeutic, \$50 is protected for personal needs and an additional \$85 plus one half the remainder a month, not to exceed the optional State Supplementary Payment level, of needs resulting from the work activity may be retained.

Certain institutionalized individuals have higher than normal personal needs which result from the need to pay for the services of a guardian, an attorney, or court-ordered fees and costs. An increased Personal Needs Deduction is allowed to those institutionalized individuals who must incur certain legal and guardianship/conservatorship expenses in order to make income or resources available for their support. When the specified criteria are met, the individual is allowed to retain income in the form of an increased personal needs deduction, to meet the allowed expense(s).

(1) Guardianship/Conservatorship Costs

Individuals who have court appointed guardians or conservators are allowed to retain income in the form of a higher Personal Needs Deduction to pay for court-approved guardian/conservator's fees or court-ordered fees relating to the guardianship/conservatorship. Such fees include but are not limited to court filing fees, the cost of a Probate Bond, court-approved guardianship/conservatorship fees, and court approved legal fees.

LTC staff in consultation with the Assistant Administrator of Long Term Care Services, may consider as deductions court -approved expenses up to the lesser of 15% of the individual's monthly income, or \$125 monthly. In the event that the amount of court-approved expenses exceed this limit, the case must be referred to the Resource Unit within the Office of Legal Services for a decision on the amount of the allowable deduction.

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The deduction from income is allowed during the month in which the client pays the expense, usually at the time of the annual accounting of the estate. Monthly deductions may be allowed if the client pays the expenses on a monthly basis. If the annual expense cannot be paid from one month's income, the balance of the expense may be deducted from each month's income as it is paid.

(2) Legal Fees

Individuals who incur legal fees resulting from legal action to obtain income or resources for their support may retain income in the form of an increased Personal Needs Deduction to pay such fees. The maximum which may be deducted from income is the lesser of the actual fee, or one third of the settlement amount.

(3) Tax Assessments

Individuals ordered by the Internal Revenue Service, Rhode Island Division of Taxation, or other State or municipal taxing authority to pay income taxes may retain income to pay the taxes. If the annual expense cannot be paid from one month's income, the balance of the expense may be deducted from each month's income as it is paid.

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STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: RHODE ISLAND

ELIGIBILITY UNDER SECTION 1931 OF THE ACT

The State covers low-income families and children under section 1931 of the Act.

The following groups were included in the AFDC State plan effective July 16, 1996:

- X Pregnant women with no other children
- X AFDC children age 18 who are full-time students in a secondary school or in the equivalent level of vocational or technical training

       In determining eligibility for Medicaid, the agency uses the AFDC standards and methodologies in effect as of July 16, 1996 without modification.

X In determining eligibility for Medicaid, the agency uses the AFDC standards and methodologies in effect as of July 16 1996, with the following modifications.

       The agency applies lower income standards which are no lower than the AFDC standards in effect on May 1, 1988 , as follows

X The agency applies higher income standards than those in effect as of July 16,1996, increased by no more than the percentage increases in the CPI-U since July 16, 1996, as follows:

<u>FAMILY SIZE</u>	<u>NEW STANDARD</u>	<u>7/16/96</u>
1	\$ 346.16	\$ 327
2	\$ 475.31	\$ 449
3	\$ 586.46	\$ 554
4	\$ 669.03	\$ 632
5	\$ 751.60	\$ 710
6	\$ 846.88	\$ 800
7	\$ 931.56	\$ 880
8	\$1,026.84	\$ 970
9	\$1,103.06	\$1,042
10	\$1,198.33	\$1,132
11	\$1,283.02	\$1,212
12	\$1,368.76	\$1,293

(Cumulative increase in the CPI-U for the period 7/96-6/99 was 5.86%)

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- \_\_\_\_\_ The agency applies higher resource standards than those in effect as of July 16, 1996, increased by no more than the percentage increases in the CPI-U since July 16, 1996, as follows:
- X The agency uses less restrictive income and/or resource methodologies than those in effect as of July 16, 1996, as follows:

Income Methodologies:

1. *185% Gross Income Test: For purposes of the 185% gross income test only, all income in excess of 185% of the AFDC standard will be disregarded.*
2. *Dependent Child Disregard: Disregard all earned income of a dependent child.*
3. *Family Income Disregard: Disregard from the family's total remaining income (earned and unearned) an amount equal to the difference between 185% of the federal poverty level and the Family Independence Program cash standard for the appropriate family size.*

Resource Methodology:

1. *Disregard all resources.*

The income and/or resource methodologies that the less restrictive methodologies replace are as follows:

Income Methodologies:

1. *All income was considered for purposes of the 185% gross income test.*
2. *Earned income of a dependent child who is a full time student was excluded, as was the earned income of a dependent child who is a part time student as long as the child is not a full time employee.*

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Resource Methodologies:

Countable resources included all but the following:

1. Real property that is the home.
2. Real property other than the home for up to 6 months pending sale.
3. Income producing property other than real estate.
4. Equity value of a car up to \$1500.
5. Funeral agreement with equity value of up to \$1000 for each family member.
6. Resources excluded by law.
7. Household furnishings, appliances, clothing, personal effects and keepsakes of limited value.

\_\_\_\_\_ The agency terminates medical assistance (except for certain pregnant women and children) for individuals who fail to meet TANF work requirements.

  X   The agency continues to apply the following waivers of provisions of Part A of Title IV in effect as of July 16, 1996, or submitted prior to August 22, 1996 and approved by the Secretary on or before July 1, 1997.

*Waiver of Section 402 (a)(41) and various provisions at 45CFR233.100(a)(1) and c(1)(iii) as in effect prior to the implementation of the Transitional Assistance for Needy Families (TANF) Program: AFDC Unemployed Parent Requirements - To allow the State to eliminate the 100 hour rule requirement.*

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STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

STATE OF RHODE ISLAND

Methodologies for Treatment of Resources That Differ  
From Those of the AFDC or SSI Programs

4. Medical Assistance is not responsible for payment of that portion of the medical bills equal to the amount of the excess assets. The bills used to establish eligibility cannot be incurred earlier than the first day of the third month prior to the date of an application that is eventually approved and may not be the same portions of the bills that are used to meet an income spenddown.

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Supplement 12  
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## STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: RHODE ISLAND

### ELIGIBILITY UNDER SECTION 1931 OF THE ACT

The State covers low-income families and children under section 1931 of the Act.

The following groups were included in the AFDC State plan effective July 16, 1996:

- X Pregnant women with no other children
- X AFDC children age 18 who are full-time students in a secondary school or in the equivalent level of vocational or technical training

       In determining eligibility for Medicaid, the agency uses the AFDC standards and methodologies in effect as of July 16, 1996 without modification.

X\* In determining eligibility for Medicaid, the agency uses the AFDC standards and methodologies in effect as of July 16 1996, with the following modifications.

*Standards for family sizes 1, 2, and 3 remain the same.*

\* The agency applies lower income standards which are no lower than the AFDC standards in effect on May 1, 1988 , as follows

*Standards for family sizes 6 and over decrease as follows:*

<u>Size</u>	<u>NEW</u>	<u>7/16/96</u>	<u>1988</u>
6	\$794	\$800	\$747
7	\$874	\$880	\$822
8	\$954	\$970	\$906
9	\$1,034	\$1,042	\$973
10	\$1,114	\$1,132	\$1,057
11	\$1,194	\$1,212	\$1,131
12	\$1,274	\$1,293	\$1208

\* The agency applies higher income standards than those in effect as of July 16,1996, increased by no more than the percentage increases in the CPI-U since July 16, 1996, as follows:

*Standards for family sizes 4 and 5 increase from \$632 to \$634 and \$710 to \$714 respectively.*

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ATTACHMENT 2.6-1  
Supplement 12

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X The agency uses less restrictive income and/or resource methodologies than those in effect as of July 16, 1996, as follows:

Income Methodologies:

1. *185% Gross Income Test: For purposes of the 185% gross income test only, all income in excess of 185% of the AFDC standard will be disregarded.*
2. *Dependent Child Disregard: Disregard all earned income of a dependent child.*
3. *Family Income Disregard: Disregard from the family's total remaining income (earned and unearned) an amount equal to the difference between 185% of the federal poverty level and the Family Independence Program cash standard for the appropriate family size.*

Resource Methodology:

1. *Disregard all resources.*

The income and/or resource methodologies that the less restrictive methodologies replace are as follows:

Income Methodologies:

1. *All income was considered for purposes of the 185% gross income test.*
2. *Earned income of a dependent child who is a full time student was excluded, as was the earned income of a dependent child who is a part time student as long as the child is not a full time employee.*



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Resource Methodologies:

*Countable resources included all but the following:*

1. *Real property that is the home.*
2. *Real property other than the home for up to 6 months pending sale.*
3. *Income producing property other than real estate.*
4. *Equity value of a car up to \$1500.*
5. *Funeral agreement with equity value of up to \$1000 for each family member.*
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  X  \_\_\_\_\_ The agency continues to apply the following waivers of provisions of Part A of Title IV in effect as of July 16, 1996, or submitted prior to August 22, 1996 and approved by the Secretary on or before July 1, 1997.

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